

CONDOMINIUM PUBLIC REPORT

Prepared &

Issued by: Developer Lionel A. Santos

Address 338 Manono St., Kailua, HI

Project Name(*): Santos Place

Address: 338 & 340 Manono St.

Registration No. 3537

(Conversion)

Effective date: August 26, 1996

Expiration date: September 26, 1997

Preparation of this Report:

This report has been prepared by the Developer pursuant to the Condominium Property Act, Chapter 514A, Hawaii Revised Statutes, as amended. This report is not valid unless the Hawaii Real Estate Commission has issued a registration number and effective date for the report.

This report has not been prepared or issued by the Real Estate Commission or any other government agency. Neither the Commission nor any other government agency has judged or approved the merits or value, if any, of the project or of purchasing an apartment in the project.

Buyers are encouraged to read this report carefully, and to seek professional advice before signing a sales contract for the purchase of an apartment in the project.

Expiration Date of Reports. Preliminary Public Reports and Final Public Reports automatically expire thirteen (13) months from the effective date unless a Supplementary Public Report is issued or unless the Commission issues an order, a copy of which is attached to this report, extending the effective date for the report.

Exception: The Real Estate Commission may issue an order, a copy of which shall be attached to this report, that the final public report for a two apartment condominium project shall have no expiration date.

Type of Report:

- PRELIMINARY: The developer may not as yet have created the condominium but has filed with the Real Estate Commission minimal information sufficient for a Preliminary Public Report. A Final Public Report will be issued by the developer when complete information is filed.
(yellow)
- x FINAL: The developer has legally created a condominium and has filed complete information with the Commission.
(white)
- ☒ No prior reports have been issued.
☐ This report supersedes all prior public reports.
☐ This report must be read together with _____
- SUPPLEMENTARY: This report updates information contained in the:
(pink)
- ☐ Preliminary Public Report dated: _____
☐ Final Public Report dated: _____
☐ Supplementary Public Report dated: _____
- And ☐ Supersedes all prior public reports
☐ Must be read together with _____
☐ This report reactivates the _____
public report(s) which expired on _____

(*) Exactly as named in the Declaration

Disclosure Abstract: Separate Disclosure Abstract on this condominium project:

☐ Required and attached to this report ☒ Not Required - disclosures covered in this report.

Summary of Changes from Earlier Public Reports:

This summary contains a general description of the changes, if any, made by the developer since the last public report was issued. It is not necessarily all inclusive. Prospective buyers should compare this public report with the earlier reports if they wish to know the specific changes that have been made.

☒ No prior reports have been issued by the developer.

☐ Changes made are as follows:

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General Information On Condominiums

A condominium is a special form of real property. To create a condominium in Hawaii, the requirements of the Condominium Property Act, Chapter 514A, Hawaii Revised Statutes, must be complied with. In addition, certain requirements and approvals of the County in which the project is located must be satisfied and obtained.

Some condominium projects are leasehold. This means that the land or the building(s) and other improvements are leased to the buyer. The lease for the land usually requires that at the end of the lease term, the lessees (apartment owners/tenants) deliver their interest in the land to the lessor (fee property owner). The lease also usually requires that the lessees either (1) convey to the lessor the building(s) and other improvements, including any improvements paid for by the lessees; or (2) remove or dispose of the improvements at the lessee's expense. Leases for individual apartments often require that at the end of the lease term, the lessee deliver to the lessor the apartment, including any improvements placed in the apartment by the lessee.

If you are a typical condominium apartment owner, you will have two kinds of ownership: (1) ownership in your individual apartment; and (2) an undivided interest in the common elements.

"Common elements" are the areas of the condominium project other than the individual apartments. They are owned jointly by all apartment owners and include the land, either in fee simple or leasehold, and those parts of the building or buildings intended for common use such as foundations, columns, roofs, halls, elevators, and the like. Your undivided interest in the common elements cannot be separated from ownership of your apartment.

In some condominium projects, some common elements are reserved for the exclusive use of the owners of certain apartments. These common elements are called "limited common elements" and may include parking stalls, patios, lanais, trash chutes, and the like.

You will be entitled to exclusive ownership and possession of your apartment. Condominium apartments may be individually bought, sold, rented, mortgaged or encumbered, and may be disposed of by will, gift, or operation of law.

Your apartment will, however, be part of the group of apartments that comprise the condominium project. Study the project's Declaration, Bylaws, and House Rules. These documents contain important information on the use and occupancy of apartments and the common elements as well as the rules of conduct for owners, tenants, and guests.

Operation of the Condominium Project

The Association of Apartment Owners is the entity through which apartment owners may take action with regard to the administration, management, and operation of the condominium project. Each apartment owner is automatically a member of the Association.

The Board of Directors is the governing body of the Association. Unless you serve as a board member or an officer, or are on a committee appointed by the board, your participation in the administration and operation of the condominium project will in most cases be limited to your right to vote as an apartment owner. The Board of Directors and officers can take certain actions without the vote of the owners. For example, the board may hire and fire employees, increase or decrease maintenance fees, borrow money for repair and improvements and set a budget. Some of these actions may significantly impact the apartment owners.

Until there is a sufficient number of purchasers of apartments to elect a majority of the Board of Directors, it is likely that the developer will effectively control the affairs of the Association. It is frequently necessary for the developer to do so during the early stages of development and the developer may reserve certain special rights to do so in the Declaration and Bylaws. Prospective buyers should understand that it is important to all apartment owners that the transition of control from the developer to the apartment owners be accomplished in an orderly manner and in a spirit of cooperation.

I. PERSONS CONNECTED WITH THE PROJECT

Developer: Lionel A. Santos (808)
Name 338 Manono St. Phone: 263-3450
Business Address (Business)
Kailua, HI 96734

Names of officers or general partners of developers who are corporations or partnerships:

Dayna Ann Santos
Lance Albert Santos
Wendy Allyson Santos

Real Estate
Broker: For Sale by Owner (See page 20) Phone: _____
Name (Business)
Business Address _____

Escrow: Old Republic Title & Escrow Phone: 566-0100
Name of Hawaii (Business)
55 Merchant Street, 17th Floor
Business Address
Honolulu, Hawaii 96813

General
Contractor: N/A Phone: _____
Name (Business)
Business Address _____

Condominium
Managing
Agent: Self managed by AOAO (808)
Name Phone: 263-3450
338 Manono St. (Business)
Business Address
Kailua, HI 96734

Attorney for
Developer: Yuklin Aluli (808)
Name Phone: 262-5900
415-C Uluniu St. (Business)
Business Address
Kailua, HI 96734

II. CREATION OF THE CONDOMINIUM;
CONDOMINIUM DOCUMENTS

A condominium is created by recording in the Bureau of Conveyances and/or filing with the Land Court a Declaration of Condominium Property Regime, a Condominium Map (File Plan), and the Bylaws of the Association of Apartment Owners. The Condominium Property Act (Chapter 514A, HRS), the Declaration, Bylaws, and House Rules control the rights and obligations of the apartment owners with respect to the project and the common elements, to each other, and to their respective apartments. The provisions of these documents are intended to be, and in most cases are, enforceable in a court of law.

- A. Declaration of Condominium Property Regime contains a description of the land, buildings, apartments, common elements, limited common elements, common interests, and other information relating to the condominium project.

The Declaration for this condominium is:

☐ Proposed

☐ Recorded - Bureau of Conveyances:

Document No. _____

Book _____ Page _____

☒ Filed - Land Court:

Document No. 2293885

The Declaration referred to above has been amended by the following instruments (state name of document, date and recording/filing information):

First Amendment to Declaration of
Condominium Property Regime

as Document No. 2330055

- B. Condominium Map (File Plan) shows the floor plan, elevation and layout of the condominium project. It also shows the floor plan, location, apartment number, and dimensions of each apartment.

The Condominium Map for this condominium project is:

☐ Proposed

☐ Recorded - Bureau of Conveyances Condo Map No. _____

☒ Filed - Land Court Condo Map No. 1146

The Condominium Map has been amended by the following instruments (state name of document, date and recording/filing information):

- C. Bylaws of the Association of Apartment Owners govern the operation of the condominium project. They provide for the manner in which the Board of Directors of the Association of Apartment Owners is elected, the powers and duties of the Board, the manner in which meetings will be conducted, whether pets are prohibited or allowed and other matters which affect how the condominium project will be governed.

The Bylaws for this condominium are:

☐ Proposed

☐ Recorded - Bureau of Conveyances:

Document No. _____

Book _____ Page _____

☒ Filed - Land Court:

Document No. 2293886

The Bylaws referred to above have been amended by the following instruments (state name of document, date and recording/filing information):

First Amendment to Bylaws of the
Association of Apartment Owners

as Document No. 2330056

- D. House Rules. The Board of Directors may adopt House Rules to govern the use and operation of the common elements and limited common elements. House Rules may cover matters such as parking regulations, hours of operation for common facilities such as recreation areas, use of lanais and requirements for keeping pets. These rules must be followed by owners, tenants, and guests. They do not need to be recorded or filed to be effective. The initial House Rules are usually adopted by the developer.

The House Rules for this condominium are:

☒ Proposed ☐ Adopted ☐ Developer does not plan to adopt House Rules

E. Changes to Condominium Documents

Changes to the Declaration, Condominium Map, and Bylaws are effective only if they are duly adopted and recorded and/or filed. Changes to House Rules do not need to be recorded or filed to be effective.

1. Apartment Owners: Minimum percentage of common interest which must vote for or give written consent to changes:

	<u>Minimum Set by Law</u>	<u>This Condominium</u>
Declaration (and Condo Map)	75%*	<u>75%</u>
Bylaws	65%	<u>65%</u>
House Rules	---	<u>Board of Directors</u>

* The percentages for individual condominium projects may be more than the minimum set by law for projects with five or fewer apartments.

2. Developer:

☒ No rights have been reserved by the developer to change the Declaration, Condominium Map, Bylaws or House Rules.

☐ Developer has reserved the following rights to change the Declaration, Condominium Map, Bylaws or House Rules:

III. THE CONDOMINIUM PROJECT

A. Interest to be Conveyed to Buyer:

- ☒ Fee Simple: Individual apartments and the common elements, which include the underlying land, will be in fee simple.
- ☐ Leasehold or Subleasehold: Individual apartments and the common elements, which include the underlying land will be leasehold.

Leases for the individual apartments and the underlying land usually require that at the end of the lease term, the lessee (apartment owner/tenant) deliver to the lessor (fee property owner) possession of the leased premises and all improvements, including improvements paid for by the lessee.

Exhibit _____ contains further explanations regarding the manner in which the renegotiated lease rents will be calculated and a description of the surrender clause provision(s).

Lease Term Expires: _____

Rent Renegotiation Date(s): _____

Lease Rent Payable: ☐ Monthly ☐ Quarterly
 ☐ Semi-Annually ☐ Annually

Exhibit _____ contains a schedule of the lease rent for each apartment per ☐ Month ☐ Year

For Subleaseholds:

- ☐ Buyer's sublease may be canceled if the master lease between the sublessor and fee owner is:
 ☐ Canceled ☐ Foreclosed

- ☐ As long as the buyer is not in default, the buyer may continue to occupy the apartment and/or land on the same terms contained in the sublease even if the master lease is canceled or foreclosed.

- ☐ Individual Apartments in Fee Simple; Common Interest in the Underlying Land in Leasehold or Subleasehold:

Leases for the underlying land usually require that at the end of the lease term, the lessees (apartment owners/tenants) deliver to the lessor (fee property owner) their interest in the land and that they either (1) remove or dispose of the building(s) and other improvements at the lessee's expense; or (2) convey the building(s) and improvements to the lessor, often at a specified price.

Exhibit _____ contains further explanations regarding the manner in which the renegotiated lease rents will be calculated and a description of the surrender clause provision(s).

Lease Term Expires: _____

Rent Renegotiation Date(s): _____

Lease Rent Payable: ☐ Monthly ☐ Quarterly
 ☐ Semi-Annually ☐ Annually

Exhibit _____ contains a schedule of the lease rent for each apartment per ☐ Month ☐ Year

☒ Other: A 1/6th undivided interest in Lot 53-G of the Coconut Grove Tract Subdivision as shown on Land Court Map 153 of Land Court Application No. 495.

IMPORTANT INFORMATION ON LEASEHOLD CONDOMINIUM PROJECTS

The information contained in this report is a summary of the terms of the lease. For more detailed information, you should secure a copy of the lease documents and read them thoroughly.

If you have any legal questions about leasehold property, the lease documents or the terms of the lease and the consequences of becoming a lessee, you should seek the advice of an attorney.

There are currently no statutory provisions for the mandatory conversion of leasehold condominiums and there are no assurances that such measures will be enacted in the future.

In leasehold condominium projects, the buyer of an apartment will acquire the right to occupy and use the apartment for the time stated in the lease agreement. The buyer will not acquire outright or absolute fee simple ownership of the land. The land is owned by the lessor or the leased fee owner. The apartment owner or lessee must make lease rent payments and comply with the terms of the lease or be subject to the lessor's enforcement actions. The lease rent payments are usually fixed at specific amounts for fixed periods of time, and are then subject to renegotiation. Renegotiation may be based on a formula, by arbitration set in the lease agreement, by law or by agreement between the lessor and lessee. The renegotiated lease rents may increase significantly. At the end of the lease, the apartment owners may have to surrender the apartments, the improvements and the land back to the lessor without any compensation (surrender clause).

When leasehold property is sold, title is normally conveyed by means of an assignment of lease, the purpose of which is similar to that of a deed. The legal and practical effect is different because the assignment conveys only the rights and obligations created by the lease, not the property itself.

The developer of this condominium project may have entered into a master ground lease with the fee simple owner of the land in order to develop the project. The developer may have then entered into a sublease or a new lease of the land with the lessee (apartment owner). The developer may lease the improvements to the apartment owner by way of an apartment lease or sublease, or sell the improvements to the apartment owners by way of a condominium conveyance or apartment deed.

B. Underlying Land:

Address: 338 and 340 Manono Street Tax Map Key: (1) 4-3-42:19
Kailua, Hawaii 96734 (TMK)

☐ Address ☐ TMK is expected to change because _____

Land Area: 6,050 ☒ square feet ☐ acre(s) Zoning: R-5

Fee Owner Lance A. Santos & Wendy A. Santos Lionel A. Santos & Dayna A. Santos
 Name
340 Manono Street 338 Manono Street
 Address
Kailua, Hawaii 96734 Kailua, Hawaii 96734

Sublessor: N/A
 Name
 Address

C. Buildings and Other Improvements:

1. ☐ New Building(s) ☒ Conversion of Existing Building(s) ☐ Both New Building(s) and Conversion

2. Number of Buildings: 2 Floors Per Building 1

☒ Exhibit 1 contains further explanations.

3. Principal Construction Material:

☒ Concrete ☐ Hollow Tile ☒ Wood

☒ Other Glass

4. Permitted Uses by Zoning:

	No. of Apts.	Use Permitted By Zoning	No. of Apts.	Use Determined By Zoning
<input checked="" type="checkbox"/> Residential	<u>1</u>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Ohana	<u>1</u>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Commercial	<u> </u>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Industrial	<u> </u>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<input type="checkbox"/> Mix Res/Comm	<u> </u>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Agricultural	<u> </u>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<input type="checkbox"/> Hotel	<u> </u>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Recreational	<u> </u>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<input type="checkbox"/> Timeshare	<u> </u>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Other: <u> </u>	<u> </u>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

Is ~~this use~~ this use(s) specifically permitted by the project's Declaration or Bylaws?

☒ Yes ☐ No

5. Special Use Restrictions:

The Declaration and Bylaws may contain restrictions on the use and occupancy of the apartments. Restrictions for this condominium project include but are not limited to:

[x] Pets: Bylaws, page 20

[x] Number of Occupants: Houserules, page 1

[] Other: _____

[] There are no special use restrictions.

6. Interior (fill in appropriate numbers):

Elevators: 0 Stairways: 0 Trash Chutes: 0

Apt. Type	Quantity	BR/Bath	Net Living Area (sf)*	Lanai/Patio (sf)
unit 1	1	2/1	1,404sf	222sf
unit 2	1	3/1.5	776sf	
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

Total Apartments: 2

*Net Living Area is the floor area of the apartment measured from the interior surface of the apartment perimeter walls.

Other documents and maps may give floor area figures which differ from those above because a different method of determining the floor area may have been used.

Boundaries of Each Apartment:

Refer to Exhibit 1

Permitted Alterations to Apartments:

Maintenance, repair and restoration

7. Parking Stalls:

Total Parking Stalls: 3

	<u>Regular</u>		<u>Compact</u>		<u>Tandem</u>		
	<u>covered</u>	<u>open</u>	<u>covered</u>	<u>open</u>	<u>covered</u>	<u>open</u>	<u>TOTAL</u>
Assigned (for each unit)	<u>2</u>	<u> </u>	<u>1</u>	<u> </u>	<u> </u>	<u> </u>	<u>3</u>
Guest	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Unassigned	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Extra for Purchase	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Other:	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Covered & Open	<u>2</u>		<u>1</u>		<u>0</u>		

Each apartment will have the exclusive use of at least 1 parking stall(s). Buyers are encouraged to find out which stall(s) will be available for their use.

- ☒ Exhibit 1 contains additional information on parking stalls for this condominium project.

8. Recreational and Other Common Facilities:

- [x] There are no recreational or common facilities.
- [] Swimming pool [] Storage Area [] Recreation Area
- [] Laundry Area [] Tennis Court [] Trash Chute
- [] Other: _____

9. Compliance With Building Code and Municipal Regulations; Cost to Cure Violations

- ☒ There are no violations. ☐ Violations will not be cured.
- ☐ Violations and cost to cure are listed below. ☐ Violations will be cured by _____

10. Condition and Expected Useful Life of Structural Components, Mechanical, and Electrical Installations
(For conversions of residential apartments in existence for at least five years):

Estimated economic life remaining on Units 1 and 2 is 35-40 years

11. Conformance to Present Zoning Code

a. ☒ No variances to zoning code have been granted.

☐ Variance(s) to zoning code was/were granted as follows:

b. Conforming/Non-Conforming Uses, Structures, Lot

In general, a non-conforming use, structure, or lot is a use, structure, or lot which was lawful at one time but which does not now conform to present zoning requirements.

	<u>Conforming</u>	<u>Non-Conforming</u>	<u>Illegal</u>
Uses	_____	3 off street parking spaces	_____
Structures	_____	carport-Unit 1	_____
Lot	_____	_____	_____

If a variance has been granted or if uses, improvements or lot are either non-conforming or illegal, buyer should consult with county zoning authorities as to possible limitations which may apply.

Limitations may include restrictions on extending, enlarging, or continuing the non-conformity, and restrictions on altering and repairing structures. In some cases, a non-conforming structure that is destroyed or damaged cannot be reconstructed.

The buyer may not be able to obtain financing or insurance if the condominium project has a non-conforming or illegal use, structure, or lot.

D. Common Elements, Limited Common Elements, Common Interest:

1. Common Elements: Common Elements are those parts of the condominium project other than the individual apartments. Although the common elements are owned jointly by all apartment owners, those portions of the common elements which are designated as limited common elements (see paragraph 2 below) may be used only by those apartments to which they are assigned. The common elements for this project, as described in the Declaration, are:

☒ described in Exhibit #1, Page 3, No. 2 Common Elements

☐ as follows:

2. Limited Common Elements: Limited Common Elements are those common elements which are reserved for the exclusive use of the owners of certain apartments.

☐ There are no limited common elements in this project.

☒ The limited common elements and the apartments which use them, as described in the Declaration, are:

☒ described in Exhibit #1 (and Exhibit #4) Page 3, Paragraph 3

☐ as follows:

3. Common Interest: Each apartment will have an undivided fractional interest in all of the common elements. This interest is called the "common interest." It is used to determine each apartment's share of the maintenance fees and other common profits and expenses of the condominium project. It may also be used for other purposes, including voting on matters requiring action by apartment owners. The common interests for the apartments in this project, as described in the Declaration, are:

☒ described in Exhibit #2

☐ as follows:

- E. Encumbrances Against Title: An encumbrance is a claim against or a liability on the property or a document affecting the title or use of the property. Encumbrances may have an adverse effect on the property or your purchase and ownership of an apartment in the project.

Exhibit #3 describes the encumbrances against the title contained in the title report dated 2/16/96 and issued by Old Republic Title & Escrow of Hawaii.

Blanket Liens:

A blanket lien is an encumbrance (such as a mortgage) on the entire condominium project that secures some type of monetary debt (such as a loan) or other obligation. A blanket lien is usually released on an apartment-by-apartment basis upon payment of specified sums so that individual apartments can be conveyed to buyers free and clear of the lien.

- [] There are no blanket liens affecting title to the individual apartments.
- [x] There are blanket liens which may affect title to the individual apartments.

Blanket liens (except for improvement district or utility assessments) must be released before the developer conveys the apartment to a buyer. The buyer's interest will be affected if the developer defaults and the lien is foreclosed prior to conveying the apartment to buyer.

<u>Type of Lien</u>	<u>Effect on Buyer's Interest and Deposit if Developer Defaults or Lien is Foreclosed Prior to Conveyance</u>
Mortgage, 12/13/93 with GECC Financial Corporation for \$215,000	If the Sellers mortgage is foreclosed, buyer's contract may be canceled and the buyer may lose all rights to acquire the unit. Buyer's deposit, less escrow cancellation fee, will be returned if foreclosure occurs before conveyance. However, in the event the buyer's deposit is disbursed by Escrow and the lien is foreclosed prior to conveyance to buyer, buyer may not be able to recover any deposits.

F. Construction Warranties:

Warranties for individual apartments and the common elements, including the beginning and ending dates for each warranty, are as follows:

1. Building and Other Improvements: none

2. Appliances: none

G. Status of Construction and Estimated Completion Date:

Unit 1 and Unit 2 were completed in 1949 and 1983.

H. Project Phases: N/A

The developer [] has [] has not reserved the right to add to, merge, or phase this condominium.

Summary of Developer's plans or right to perform for future development (such as additions, mergers or phasing):

IV. CONDOMINIUM MANAGEMENT

- . Management of the Common Elements: The Association of Apartment Owners is responsible for the management of the common elements and the overall operation of the condominium project. The Association may be permitted, and in some cases may be required, to employ or retain a condominium managing agent to assist the Association in managing the condominium project.

Initial Condominium Managing Agent: When the developer or the developer's affiliate is the initial condominium managing agent, the management contract must have a term of one year or less and the parties must be able to terminate the contract on notice of 60 days or less.

The initial condominium managing agent for this project, named on page five (5) of this report, is:

- ☐ not affiliated with the Developer ☐ the Developer or the Developer's affiliate.
☒ self-managed by the Association of Apartment Owners ☐ other _____

B. Estimate of Initial Maintenance Fees:

The Association will make assessments against your apartment to provide funds for the operation and maintenance of the condominium project. If you are delinquent in paying the assessments, your apartment may be liened and sold through a foreclosure proceeding.

Initial maintenance fees are difficult to estimate and tend to increase as the condominium ages. Maintenance fees may vary depending on the services provided.

Exhibit 3 contains a schedule of estimated initial maintenance fees and maintenance fee disbursements (subject to change).

C. Utility Charges for Apartments:

Each apartment will be billed separately for utilities except for the following checked utilities which are included in the maintenance fees:

- ☒ None ☐ Electricity ☐ Gas ☐ Water
☐ Sewer ☐ Television Cable ☐ Other _____

V. MISCELLANEOUS

A. Sales Documents Filed With the Real Estate Commission:

Sales documents on file with the Real Estate Commission include but are not limited to:

☐ Notice to Owner Occupants

☒ Specimen Sales Contract

Exhibit 6 contains a summary of the pertinent provisions of the sales contract.

☒ Escrow Agreement dated April 30, 1996

Exhibit 5 contains a summary of the pertinent provisions of the escrow agreement.

☒ Other Condominium Deed (Exhibit 4)

B. Buyer's Right to Cancel Sales Contract:

1. Rights Under the Condominium Property Act (Chapter 514A, HRS):

Preliminary Report: Sales made by the developer are not binding on the prospective buyer. Sales made by the developer may be binding on the developer unless the developer clearly states in the sales contract that sales are not binding. A prospective buyer who cancels the sales contract is entitled to a refund of all moneys paid, less any escrow cancellation fee up to \$250.00.

Supplementary Report to a Preliminary Report: Same as for Preliminary Report.

Final Report or Supplementary Report to a Final Report: Sales made by the developer are binding if:

A) The Developer delivers to the buyer a copy of:

1) Either the Final Public Report OR the Supplementary Public Report which has superseded the Final Public Report for which an effective date has been issued by the Real Estate Commission;

AND

2) Any other public report issued by the developer prior to the date of delivery, if the report was not previously delivered to the buyer and if the report has not been superseded;

B) The buyer is given an opportunity to read the report(s); AND

C) One of the following has occurred:

1) The buyer has signed a receipt for the report(s) and waived the right to cancel; or

2) Thirty (30) days have passed from the time the report(s) were delivered to the buyer; or

3) The apartment is conveyed to the buyer within 30 days from the date the report(s) were delivered to the buyer.

Material Change: Binding contracts with the Developer may be rescinded by the buyer if:

A) There is a material change in the project which directly, substantially, and adversely affects (1) the use or value of the buyer's apartment or its limited common elements; or (2) the amenities available for buyer's use; AND

B) The buyer has not waived the right to rescind.

If the buyer rescinds a binding sales contract because there has been a material change, the buyer is entitled to a full and prompt refund of any moneys the buyer paid.

2. Rights Under the Sales Contract: Before signing the sales contract, prospective buyers should ask to see and carefully review all documents relating to the project. If these documents are not in final form, the buyer should ask to see the most recent draft. These include but are not limited to the:

- A) Condominium Public Reports issued by the developer which have been given an effective date by the Hawaii Real Estate Commission.
- B) Declaration of Condominium Property Regime, as amended.
- C) Bylaws of the Association of Apartment Owners, as amended.
- D) House Rules.
- E) Condominium Map.
- F) Escrow Agreement.
- G) Hawaii's Condominium Property Act (Chapter 514A, HRS, as amended) and Hawaii Administrative Rules, (Chapter 16-107, adopted by the Real Estate Commission, as amended).
- H) Other _____

Copies of the condominium and sales documents and amendments made by the developer are available for review through the developer and are on file at the Department of Commerce and Consumer Affairs. Reprints of Hawaii's Condominium Property Act (Chapter 514A, HRS) and Hawaii Administrative Rules, Chapter 16-107, are available at the Cashier's Office, Department of Commerce and Consumer Affairs, 1010 Richards Street, 3rd Floor, Honolulu, Hawaii, mailing address: P. O. Box 541, Honolulu, HI 96809, at a nominal cost.

This Public Report is a part of Registration No. 3537 filed with the Real Estate Commission on 03/08/96.

Reproduction of Report. When reproduced, this report must be on:

☐ yellow paper stock ☒ white paper stock ☐ pink paper stock

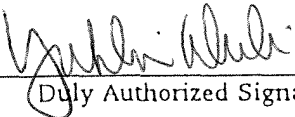
C. Additional Information Not Covered Above

Disclosure re: Selection of Real Estate Broker

This Public Report shall not bind a purchaser to the sale of any condominium unit until the Developer submits to the Real Estate Commission a duly executed disclosure abstract identifying the designated sales agent, a copy of which shall be attached to this Public Report, and a duly executed copy of a broker listing agreement with a Hawaii-licensed real estate broker, as applicable. If the Developers, as the owners, will represent themselves, the disclosure abstract shall so state.

- D. The developer hereby certifies that all the information contained in this Report and the Exhibits attached to this Report and all documents to be furnished by the developer to buyers concerning the project have been reviewed by the developer and are, to the best of the developer's knowledge, information and belief, true, correct and complete.

Lionel A. Santos, Dayna A. Santos, Lance A. Santos, Wendy A. Santos
Name of Developer

By: 
Duly Authorized Signatory

4/30/90
Date

Yuklin Aluli, Attorney for Developers
print name & title of person signing above

Distribution:

Department of Finance, City and County of Honolulu
Planning Department, City and County of Honolulu
Federal Housing Administration

A. DIVISION OF PROPERTY. The Project is hereby divided into the following separate freehold estates:

1. Units. Two (2) separate fee-simple, single story, condominium units are designated in the spaces within the perimeter, constructed principally of wood, concrete, and glass, are referred to herein as "units", are designated on said condominium map, and described as set forth in Exhibit "B" attached hereto and for every purpose made a part hereof.

a. The units are constructed according to two (2) different floor plans. A description of each of said floor plans, designating the layout, number of rooms, and approximate area thereof is set forth in Exhibit "B" attached hereto and for every purpose made a part hereof.

b. The units are numbered (Unit 1 and Unit 2) and are located in the manner shown on said Condominium File Plan filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii. The units are in compliance with all zoning and building ordinances and codes applicable to the project. No variances or special permits have been granted to allow deviations from any applicable codes. The front carport of Unit 1 with a three-foot front yard along Manono Street and the three off-street parking spaces are legal non-conforming spaces.

c. Each of the units has immediate access to the grounds of the Project. There are no basements.

d. The respective units shall not include any pipes, wires, conduits, or other utility or service lines which are utilized for or serve more than one (1) unit, the same being deemed common elements as hereinafter provided. Each unit shall be deemed to include all the walls and partitions within its perimeter, doors and door frames, windows and window frames, floors and ceilings, and all fixtures originally installed therein.

e. The units shall be designated as Unit #1¹ and Unit #2². Units shall be prohibited from extending improvements beyond their existing structures.

2. Common Elements. One (1) freehold estate is hereby designated in all remaining portions of the Project, herein called the "common elements", including specifically but not limited to:

a. Entry and driveway from the street boundary to the individual unit garages;

b. All yards, grounds and landscaping and refuse and service areas not designated as limited common elements herein;

c. All pipes, cables, conduits, ducts, electrical equipment, wiring, and other central and appurtenant transmission facilities and installations over, under, and across the Project which serve more than one (1) unit for services such as power, light, gas, water, sewer, telephone, and television signal distribution, if any;

d. Any and all other apparatus and installations of common use and all other parts of the property necessary or convenient to its existence, maintenance, and safety, or normally in common use.

e. An undivided 1/6th interest in and to Lot 53-G, area 3,314.0 square feet of the Kailua Coconut Grove Tract, as shown on Map 153, filed in the Office of the Assistant Registrar of the Land Court of the State of Hawaii with Land Court Application No. 495 of Arthur Hyde Rice.

3. Limited Common Elements. Certain parts of the common elements, herein called and designated "limited common elements", are hereby set aside and reserved for the exclusive use of certain units, and such units shall have appurtenant thereto exclusive easement for the use of such limited common elements. The limited common elements so set aside and reserved are as follows:

a. That certain portion of the property of the Project which includes the real property upon which Unit #1

¹Unit #1 is presently occupied by Lionel Anthony Santos and Dayna Ann Santos and is situated to the front of the Project adjacent to Manono Street.

²Unit #2 is presently occupied by Lance Albert Santos and Wendy Allyson Santos and is situated at the rear of the Project.

B. COMMON INTEREST. Each unit shall have appurtenant thereto an undivided percentage interest in all common elements of the Project (hereinafter referred to as the "common interest"), and the same proportionate share in all common profits and expenses of the Project and for all other purposes including voting, as set forth in Exhibit "C" attached hereto and for every purpose made a part hereof.

DESCRIPTION OF PROJECT

The Project is described in the Condominium Map and consists of two (2) one-story buildings comprising two (2) separate fee-simple residential unit units. The buildings and other improvements are constructed principally of wood, concrete, glass, aluminum, masonry, steel and allied building materials.

DESCRIPTION OF THE UNITS

Two (2) separate condominium units are separate single family dwellings. Each unit has its own driveway. The location of the units are further described and numbered in Exhibit "4".

Unit #1 consists of the following: a separate single-story wood frame structure, containing two bedrooms, one bath, one kitchen, living room, and family room, all containing a net interior living area of approximately 1,404 square feet and a lanai area of 222 square feet; and any and all other future improvements which may be constructed on the land area appurtenant to said unit by the owner thereof; and

Unit #2 consists of the following: a separate single-story wood frame structure, containing three bedrooms, one and a half bathrooms, one kitchen and dining area, and living room all containing a net interior living area of approximately 776 square feet.

The condominium units are located in the manner shown on the Condominium Map. Each unit has direct access to the common areas. The respective units shall not be deemed to include any pipes, wires, conduits or other utility lines running over, under or through any unit which are utilized for or serve more than one unit, the same being deemed common elements as hereinafter provided.

SCHEDULE OF COMMON INTERESTS

<u>Unit Number</u>	<u>Current Unit Owner</u>	<u>Percentage Common Interest</u>
1	Lionel A. Santos and Dayna A. Santos Tenants by the Entirety 338 Manono St. Kailua, HI 96734	65%
2	Lance A. Santos and Wendy A. Santos Tenants by the Entirety 340 Manono St. Kailua, HI 96734	35%

EXHIBIT 2

EXHIBIT 3

ESTIMATE OF INITIAL MAINTENANCE FEES
AND
ESTIMATE OF MAINTENANCE FEE DISBURSEMENTS

Estimate of Initial Maintenance Fees:

<u>Apartment</u>	<u>Monthly Fee</u> x 12 months = <u>Yearly Total</u>
Unit 1	\$65 plus real property tax <u>or</u> \$105.00 x 12 = \$1,270.00
Unit 2	\$35 plus real property tax <u>or</u> \$55.00 x 12 = \$660.00

The Real Estate Commission has not reviewed the estimates of maintenance fee assessments and disbursements for their accuracy or sufficiency.

Estimate of Maintenance Fee Disbursements:

Monthly x 12 months = Yearly Total

Utilities and Services

Air Conditioning	
Electricity	N/A
[] common elements only	
[] common elements and apartments	
Elevator	
Gas	
Refuse Collection	
Telephone	
Water and Sewer	

Maintenance, Repairs and Supplies

N/A

Building
Grounds

Management

Management Fee	
Payroll and Payroll Taxes	N/A
Office Expenses	

Insurance	\$ 250.00
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Reserves(*)	\$ 940.00
-------------	-----------

Taxes and Government Assessments	\$ 742.09
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Audit Fees

Other

TOTAL	\$1,932.09
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I, Lionel A. Santos, ~~as agent and employed by~~ the condominium managing agent
~~xxxxx~~ xxxxx developer, for the condominium project Santos Place, hereby certify that the
above estimates of initial maintenance fee assessments and maintenance fee disbursements were prepared in
accordance with generally accepted accounting principles.

Lionel Anthony Santos
Date: March 8, 96

(*) Mandatory reserves in effect January 1, 1993

ENCUMBRANCE SCHEDULE

1. GRANT OF EASEMENT

Dated: August 11, 1944
Document No.: 74676
In favor of: CITY AND COUNTY OF HONOLULU
Granting: An easement for underground water pipelines, etc., under and across Lot 53-G

2. GRANT OF EASEMENT

Dated; August 17, 1944
Document No.: 74699
In favor of : HAWAIIAN ELECTRIC COMPANY, INC.,
and MUTUAL TELEPHONE COMPANY, now
known as GTE HAWAIIAN TELEPHONE
COMPANY INCORPORATED.
Granting: An easement for utility purposes
over Lots 53-A and 53-G

3. Covenants, conditions, restrictions, reservations,
agreements, obligations and other provisions as contained in
that certain instrument dated August 22, 1944 and filed as
Document No. 74700.

4. SANTOS FAMILY AGREEMENT

Dated: August 20, 1985
Document No.: 1318379
Re: Relating to use and maintenance of
commonly held property.

NOTE: A Revocation of Santos Family Agreement Relating
to Use and Maintenance of Commonly Held Property
dated March 12, 1996, was filed as Document No.
2296211.

5. MORTGAGE

Dated: November 15, 1991
Filed: November 21, 1991
Document No.: 1866693

Mortgagor: FRANK LAWRENCE NUNES SANTOS,
widower, LAWRENCE FRANK SANTOS,
Sr. and ELOISE SANTOS, husband
and wife, LANCE ALBERT SANTOS and
WENDY ALLYSON SANTOS, husband and
wife.

Mortgagee: HONFED BANK, A FEDERAL SAVINGS
BANK, a corporation organized and
existing under the laws of the
United States of America

To secure indebtedness of \$180,000.00 and any other amounts payable under the terms thereof.

NOTE: An instrument dated January 4, 1994, filed as Document No. 2115397, purporting to release the foregoing Mortgage does not cite the correct Transfer Certificate of Title Number.

6. MORTGAGE

Dated: December 13, 1993
Filed: December 17, 1993
Document No.: 2098228

Mortgagor: FRANK LAWRENCE NUNES SANTOS
widower, LANCE ALBERT SANTOS and
WENDY ALLYSON SANTOS, husband
and wife, and LIONEL ANTHONY
SANTOS and DAYNA ANN SANTOS,
husband and wife.

Mortgagee: GECC FINANCIAL CORPORATION, a
Hawaii Corporation

To secure an indebtedness of \$215,000.00 and any other amounts payable under the terms thereof.

SANTOS PLACE ESCROW AGREEMENT SUMMARY

I. Disbursement of Buyer's Funds. Paragraph 2 of the escrow agreement provides for disbursement of funds for expenses set forth in Paragraph 3(a) and then to order. Pursuant to the Sales Contract, Seller will convey upon payment and release of the present blanket mortgage covering the property. Disbursement is also conditioned upon satisfaction of Paragraph 4 of the Escrow Agreement.

II. Terms of Refund of Buyer's Funds. A Buyer shall be entitled to a refund of his funds and Escrow shall pay said funds to said buyer, without interest, if Buyer shall in writing request refund of his funds and any one of the following shall have occurred:

- (a) Escrow receives a written request from Developer to return to Buyer the funds of such Buyer then held hereunder by Escrow; or
- (b) If a Buyer's funds were obtained prior to the issuance of a Final Public Report and the request is prior to the time the Final Public Report is issued; or
- (c) If the Final Public Report differs in any material respect from the preliminary public report, unless the Buyer has given written approval or acceptance of the difference; or
- (d) If the Final Public Report is not issued within one year from the date of issuance of the preliminary public report.
- (e) If a Buyer's funds are received under a reservation agreement pursuant to Chapter 514A, Part VI, Hawaii Revised Statutes, and no Sales Contract between Buyer and Developer is submitted to Escrow within ten (10) days of the issuance of the First Public Report for the project by the Real Estate Commission of the State of Hawaii; provided, however, that refunds to Buyer under this subsection shall be automatic and need not be requested by Buyer.

III. Cancellation of Escrow. An escrow fee of \$312.50 is due from Buyer upon cancellation except where Buyer is entitled to a refund as set forth above, in which case the \$312.50 is due from Seller\Developer.

SANTOS PLACE
DEPOSIT, RECEIPT AND SALES CONTRACT SUMMARY

I. Purchase Price and Method of Payment. The Seller will execute a deed to each unit upon the release of the present blanket mortgage.

II. No Deposits \ No Liquidated Damages. The Sellers are the Buyers. As such there are no funds in escrow. When refinancing takes place, the respective apartment units will be conveyed to the respective buyer and the present mortgage covering both units will be released.

96-0328

EXHIBIT 6

TOTAL P.04